

UNITED STATES DISTRICT COURT
FOR THE
DISTRICT OF MASSACHUSETTS

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U.S. DISTRICT COURT
DISTRICT OF MASS

JOSEPH BRAUNSTEIN,
CHAPTER 7 TRUSTEE OF LOGISTICS
INFORMATION SYSTEMS, INC.,

Plaintiff

v.

Civil Action No. 04-11746-RGS

WILLIAM E. SPERBECK, SUSAN
SPERBECK, and ARCLOGIX, INC.,

Defendants

LOCAL RULE 16.1(D) JOINT STATEMENT

Pursuant to Local Rule 16.1(D) of the United States District Court for the District of Massachusetts, the Plaintiff Joseph Braunstein, Chapter 7 Trustee of Logistics Information Systems, Inc. and the Defendants William E. Sperbeck, Susan Sperbeck and Arclogix, Inc. submit the following Joint Statement.

1. Presently pending before this Court is Defendants' Motion to Withdraw Reference, which was filed in the United States Bankruptcy Court on July 23, 2004 and referred to this Court pursuant to 28 U.S.C. § 175(d) and Fed. R. Bankr. P. 5011(a) by Order of the Bankruptcy Court dated August 4, 2004. The parties request that the Court schedule a hearing on this motion.

2. This Court will continue to have jurisdiction over the subject matter of this action if it allows the Defendants' Motion. If the Court denies the Motion, then the merits of this matter (an Adversary Proceeding in the bankruptcy matter pending in the United States Bankruptcy Court entitled In re Logistics Information Systems, Inc., Docket No. 03-10886) will be adjudicated in the Bankruptcy Court.

3. On November 19, 2004, Logistics Information Systems, Inc., the Debtor in the subject bankruptcy, filed a Voluntary Motion to Dismiss the Chapter 7 Case in the Bankruptcy Court. If this motion is allowed by the Bankruptcy Court, then both the Adversary Proceeding and the underlying bankruptcy will be dismissed, thereby divesting this Court of jurisdiction over the subject matter of the case, and rendering moot the motion now pending before this Court.

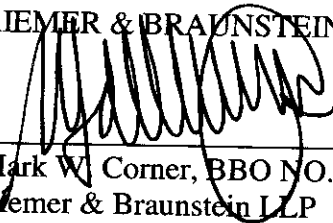
4. The parties submit that it is premature for this Court to issue a discovery order in this case, unless and until it is determined whether this Court will continue to have subject matter jurisdiction over the case and controversy set forth in the Adversary Proceeding. Accordingly, the parties jointly request that the Court schedule a Local Rule 16.3 Case Management Conference if the Defendants' Motion to Withdraw Reference is allowed. The parties would, in connection with the Case Management Conference, submit a proposed discovery schedule and schedule for briefing and hearing of motions, as would otherwise be required under Local Rule 16.1. The parties note that discovery is ongoing as between the Trustee, the Debtor and the Defendant Arclogix, Inc. pursuant to a Motion for Substantive

Consolidation, a contested matter now pending in the Bankruptcy Court, as to which discovery is conducted pursuant to Fed. R. Bankr. P. 9014.

JOSEPH BRAUNSTEIN,
CHAPTER 7 TRUSTEE OF
LOGISTICS INFORMATION
SYSTEMS, INC.

By its Attorneys,

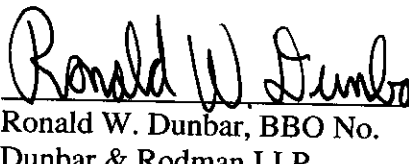
RIEMER & BRAUNSTEIN LLP


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Dated: November 24, 2004

WILLIAM E. SPERBECK
SUSAN SPERBECK
ARCLOGIX, INC.

By their Attorney,


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(617) 244-3550

I, Mark W. Corner, hereby certify that a true copy of the
above document was served upon the attorney of record
for each other party by mail-hand on 11/24/04.


Mark W. Corner

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